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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

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January 26, 1993

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Honorable Ed Pastor
House of Representatives
2432 East Broadway
Tucson, Arizona 86719

Dear Congressman Pastor:

Thank you for your follow-up letter on behalf of International Service Ventures, Ltd. (ISVL), concerning processing of the Multichannel Multipoint Distribution Service (MMDS) applications it filed for Ajo, Arizona.

As explained in the Chairman's letter to you dated June 8, 1992, the Commission adopted a Notice of Proposed Rulemaking (NPRM) in PR Docket No. 92-80, on April 9, 1992, which proposes to modify existing MMDS rules. On January 14, 1993, the Commission adopted a Report and Order in this proceeding. It is anticipated that the Report and Order will be released before February 15, 1993. Pending the release of this rulemaking order, it would be inappropriate to comment on the contents of the Report and Order, and its effect on the application filed by ISVL, pending release of the Order. However, enclosed you will find a copy of the press release which describes the item adopted by the Commission.

Sincerely,

James R. Keegan
Chief, Domestic Facilities Division
Common Carrier Bureau

Enclosure



NEWS

FEDERAL COMMUNICATIONS COMMISSION
1919 M STREET, N.W.
WASHINGTON, D.C. 20554

News media information 202 / 632-5050
Recorded listing of releases and texts
202 / 632-0002

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

Report No.

ACTION IN DOCKET CASE

January 14, 1993

CHANGES ADOPTED TO SPEED PROCESSING OF MDS APPLICATIONS
(PR DOCKET 92-80)

The Commission has adopted regulatory changes designed to streamline the filing and processing of applications for stations in the Multipoint Distribution Service (MDS) and to curtail the filing of speculative MDS applications. The new processing rules adopted today should expedite the processing of MDS applications.

These rule changes will serve the public interest by improving the conditions for competition in the multichannel video distribution marketplace in accordance with FCC goals and the Congressional directives set forth in the Cable Television Consumer Protection and Competition Act of 1992.

Although the rulemaking notice proposed otherwise, the Commission has decided to continue processing MDS applications and regulation of the MDS in the Common Carrier Bureau. It noted that since adoption of the notice, the Bureau has made considerable headway toward reducing the backlog of pending MDS applications and is now confident the situation has been sufficiently brought under control to permit expeditious processing of the remainder of the pending MDS applications.

The Commission said that this progress, in combination with other rule changes adopted today and the comments filed, persuaded it that some of the proposals advanced in the notice are now unnecessary. Specifically, this includes, in addition to the proposal to relocate the processing and/or regulation of the MDS to another bureau, the proposal to replace the existing interference protection criteria with distance separations standards, and the proposal to adopt new lottery procedures.

Among the changes the Commission is adopting are the following:

-- Prohibiting MDS applicants from entering into new settlement agreements;

-- Prohibiting MDS applicants from holding any type of interest, including serving as an officer, director, shareholder, trustee, beneficiary, owner, general or limited partner, or similar position, in more than one application for the same channel or channels at sites within the same geographic area, and applying this new rule to pending applications;

-- Providing that the sale, transfer, assignment or other alienation of any interest in an MDS application or conditional license be prohibited prior to the completion of construction, with certain, very limited exceptions. This should contribute to the ban on the formation of settlement agreements by prohibiting common settlement transactions that include options to buy.

(over)

ED PASTOR
2ND DISTRICT, ARIZONA

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CCB
mds
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Congress of the United States

House of Representatives

Washington, DC 20515-0302

December 19, 1992

Mr. Robert James, Chief
Domestic Radio Branch, Domestic Facilities Division
Common Carrier Bureau
1919 M Street N.W., Rm. 6310
Washington, D.C. 20554

Dear Mr. James:

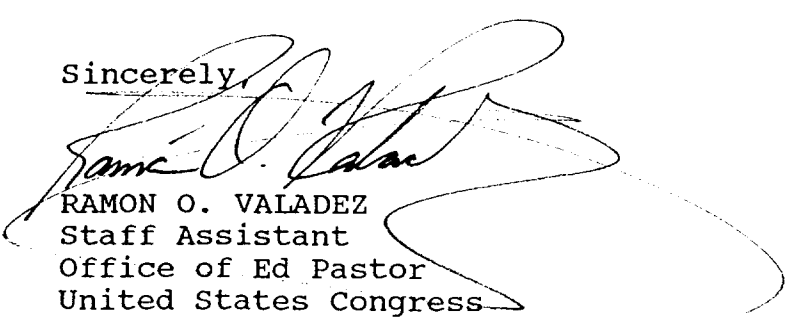
Enclosed is the response Congressman Ed Pastor received from Chairman Sikes regarding the difficulty International Service Ventures, Ltd., was having in the processing of their Multichannel Multipoint Distribution Service application for Ajo, Arizona.

It has been our understanding that a final decision on the proposed rulemaking was to have been made sometime this year. However, International Service Ventures has asked that we inquiry with the Federal Communications Commission as to the status of those changes.

After you have had an opportunity to review that matter, your suggestions on how we may further assist International Service Ventures would be greatly appreciated.

Thank you for your prompt attention to this matter.

Sincerely,



RAMON O. VALADEZ
Staff Assistant
Office of Ed Pastor
United States Congress
2432 East Broadway
Tucson, Arizona 85719
602/624-9986

Enclosure
RV



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

June 8, 1992

OFFICE OF
THE CHAIRMAN

Honorable Ed Pastor
House of Representatives
1520 Longworth House Office Bldg.
Washington, D.C. 20515-2404

Dear Congressman Pastor:

Thank you for your letter on behalf of a business in your district, International Service Ventures, Ltd., concerning processing of Multichannel Multipoint Distribution Service (MMDS) applications for Ajo, Arizona.

At the time the Commission authorized MMDS in 1983, it adopted a mutual-exclusivity rule which requires that all applications proposing to locate an MMDS station transmitter within the boundaries of a Metropolitan Statistical Area (MSA) must be included in the same lottery. The rule was designed to prevent a circumstance where the Commission would be compelled to hold just one lottery for all of the MMDS applications filed - - including Tucson, Phoenix and all surrounding areas.

International's application proposes to locate its MMDS station transmitter within the Tucson, Arizona MSA. A lottery was held on November 26, 1985 for all the MMDS applications proposing to locate a station transmitter within the Tucson MSA. Because International filed its application after this lottery was held, its application is inconsistent with Commission rules. However, International has requested a waiver of the mutual-exclusivity rule. We will carefully review its justification for its request.

On April 9, 1992, the Commission adopted a Notice of Proposed Rulemaking in Docket No. 92-80, which, among other things, proposes to modify existing rules and policies related to MMDS applicants and licensees, including mutual-exclusivity. One of the Notice's specific proposals would modify one of the current mutual-exclusivity rules to require only a 50-mile separation between transmitter sites. Conceivably, at the conclusion of this rulemaking proceeding, the rule concerning which MMDS applications are to be considered together in a lottery also may be revised.

Should you have any further questions, your staff may wish to contact Mr. Robert James, Chief, Domestic Radio Branch, Domestic Facilities Division, Common Carrier Bureau, Room 6310, 1919 M Street N.W., Washington, D.C. 20554 (202-634-1706).

Sincerely,

A handwritten signature in dark ink, appearing to read "Alfred C. Sikes".

Alfred C. Sikes
Chairman